

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNIVERSITAS EDUCATION, LLC,

Judgment Creditor, :

-against- : Case Nos. 11 CV 1590-LTS-HBP and
11-8726-LTS

NOVA GROUP, INC., as trustee, sponsor and :
fiduciary of THE CHARTER OAK TRUST :
WELFARE BENEFIT PLAN, :

Judgment Debtor.
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[PROPOSED] ORDER

This matter having come before the Court on Universitas Education, LLC's ("Universitas") Motion, Pursuant to CPLR 5240, to Extend the Duration of the Restraining Notices Issued to Third-Party Garnishees for the reasons stated below and on the record at the Order to Show Cause hearing held on November 2, 2017, and pursuant to Fed. R. Civ. P. 69(1)(1) and N.Y. C.P.L.R. § 5240, it is hereby ORDERED that:

1. Effective immediately, all restraining notices previously issued by Universitas Education, LLC ("Universitas") to the following third-party garnishees are hereby EXTENDED and shall remain in full force and effect through and including **NOVEMBER 30, 2020**:

AAA Life Solutions, AARP, AETNA, AIG, Allianz Life Insurance Company of North America, Allstate Life Insurance, American National, American United Life, Amica Life Insurance, Athene Annuity & Life Insurance Company of New York (Amerus/Aviva), Avon Capital Holdings, LLC, CIGNA, Columbia Universal, Columbus Life Insurance Company, Commonwealth Insurance Services, Inc., Connecticut General Life, Conseco, Country Life, Eerie Family Life, Fidelity Security Life, First UNUM, Fort Dearborn Life, Genworth Financial, Guardian Life, Hartford Life Insurance Co., ING (VOYA), Jackson National Life, Kansas City Life, Knights of Columbus, Lafayette Life, Lincoln Benefit Life Insurance Company, Lincoln Heritage, Madison National Life, Midland National, Minnesota Life, Mutual of Omaha, New York Life Insurance Company, Northwestern Mutual, Pacific Life Insurance Company, Penn Insurance and Annuity Co., Primerica, Principal Financial Group, Protective Life, Provident Life & Accident, RBC Insurance, Reassure America, ReliaStar Life Insurance Co. (VOYA), SBLI USA, State Farm, The North American Company for Life and Health Insurance of New York (Wilton Re), TIAA, United Commercial Travelers, United States Life Insurance Co., UNUM Provident, Washington National Insurance Company (CONSECO), Western & Southern Life and Workmen's Benefit.

2. All restraining notices issued by Universitas to third-party garnishees shall be effective against and apply to any property or assets in which any Judgment Debtor has an interest. The Judgment Debtors are as follows:

JUDGMENT DEBTORS:

- (1) Daniel E. Carpenter;
- (2) Nova Group, Inc.;
- (3) Grist Mill Trust Welfare Benefit Plan and any trustees and plan sponsors thereof insofar as they hold Grist Mill Trust assets ("GMT");
- (4) Grist Mill Capital, LLC;
- (5) Grist Mill Holdings, LLC;
- (6) Carpenter Financial Group;
- (7) Avon Capital, LLC;
- (8) Phoenix Capital Management, LLC; and
- (9) Hanover Trust Company.

3. All restraining notices issued by Universitas to third-party garnishees shall be effective against and apply to any property or assets in which an adjudicated alter ego of the Judgment Debtor has an interest. The adjudicated alter egos of the Judgment Debtors are as follows:

ENTITIES ADJUDICATED AS ALTER EGOS OF A JUDGMENT DEBTOR:

- (1) Carpenter Financial Group, LLC;
- (2) Benistar Admin Services, Inc.;
- (3) Benistar 419 Plan Services, Inc.;
- (4) Benistar Employer Services Trust Corporation;
- (5) Benistar, Ltd.;
- (6) Benistar Ltd.;
- (7) Benistar Property Exchange Trust Company, Inc.;
- (8) Benistar Property Exchange Trust Company;
- (9) Boston Property Exchange Trust Company;

- (10) Boston Property Exchange Transfer Company;
- (11) Boston Property Exchange Transfer Company, Inc.;
- (12) Step Plan Services, Inc.; and
- (13) U.S. Property Exchange.

4. Universitas (or its counsel) shall provide written notice to third-party garnishees to the extent additional entities (other than those set forth in paragraph 4 herein), have been or are, at a future date, adjudicated to be alter egos of any Judgment Debtor. Upon receipt of such written notice, the third-party garnishees shall add and include said entity to the list of alter ego entities enumerated above in paragraph 4 of this Order and any property or asset(s) of such alter ego entity shall be subject to the restraining notices.
5. The Restraining Notices served on the following carriers by Universitas are hereby lifted only with regard to the processing of the changes of ownership listed below for the identified insureds and policies only:

<u>Plan</u>	<u>Insured</u>	<u>Carrier/Policy #</u>	<u>Transaction</u>
SPT ¹	Robert G.	Lincoln *139	Change of Ownership
B419 ²	Michael M.	AIG *538	Change of Ownership
B419	Michael D.	AIG *539	Change of Ownership
GMT	Bruce M.	Mass Mutual *160	Change of Ownership
GMT	David H.	F&G *407	Change of Ownership
GMT	Laura H.	F&G *793	Change of Ownership
GMT	James J.	John Hancock *001	Change of Ownership
GMT	Ralph S.	AIG *221	Change of Ownership
GMT	Ralph S.	AIG *222	Change of Ownership

¹ GMT Survivorship Plan and Trust

² Benistar 419 Plan and Trust

6. The Restraining Notices served on the following carriers by Universitas are hereby lifted only with regard to the processing of the full surrenders or partial surrenders/withdrawals listed below for the identified insureds and policies only:

GMT	Thomas R.	Lincoln *777	Full Surrender
GMT	Michael T.	Mass Mutual *855	Full Surrender
GMT	Russell O.	Penn I&A *994	Full Surrender
GMT	Amy&Mark M.	Hartford *198	Partial Surrender

Thereafter, upon receipt of funds from the carriers for the partial or full surrenders of the listed policies, GMT shall pay such funds to Loeb & Loeb LLP for the benefit of Universitas. Thereafter, upon receipt of further written authorization from Universitas' counsel (Loeb & Loeb), Hartford is free to proceed with the processing of a change of ownership request with respect to the Amy & Mark M. policy without further order of the Court.

7. The Restraining Notices served on the following carriers by Universitas are hereby lifted only with regard to the processing of the partial surrenders/withdrawals listed below for the identified insureds and policies only:

B419	David R.	Lincoln*091	Partial Surrender/Withdrawal
B419	Thad M.	Mass Mutual *018	Partial Surrender/Withdrawal
B419	Kathleen B.	AIG *512L	Partial Surrender/Withdrawal

If Lincoln, Mass Mutual and/or AIG receives a request for change of ownership of the David R., Thad M. or Kathleen B. policies, the carriers are free to process the change(s) of ownership without further order of the Court. B419 shall provide copies to Universitas' counsel of any change of ownership paperwork submitted to the carriers with respect to these three policies.

SO ORDERED.

Dated: New York, New York
November ____, 2017

LAURA TAYLOR SWAIN
United States District Judge